

CENTRAL ILLINOIS LIGHT COMPANY
JURISDICTIONAL INCOME TAXES
FOR THE YEAR ENDED DECEMBER 31, 2000

CILCO Schedule C-3
Docket No. 01-
Witness: M. J. Getz
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	ICC ACCOUNT NUMBER	ELECTRIC TRANSMISSION	ELECTRIC DISTRIBUTION	GENCO GENERATION	CILCO GENERATION	SUPPLY MGMT.	ACCOUNT MGMT.	TOTAL ELECTRIC	GAS	TOTAL COMPANY
1.	409.1	1,144,072	13,816,386	10,721,401	302,967	35,193	54,810	26,074,830	7,168,097	33,242,927
2.	409.1	232,026	2,802,064	2,174,378	61,444	7,137	11,116	5,288,166	1,555,110	6,843,276
5.	409.1	(7,628)	(92,117)	(71,482)	(2,020)	(235)	(365)	(173,846)	(99,327)	(273,173)
6.	TOTAL TAXES	<u>1,368,471</u>	<u>16,526,334</u>	<u>12,824,298</u>	<u>362,391</u>	<u>42,096</u>	<u>65,560</u>	<u>31,189,150</u>	<u>8,623,880</u>	<u>39,813,030</u>

7. Central Illinois Light Company files with the Illinois Department of Revenue as a member of a unitary business group. CILCO derives all of its income from within the state of Illinois; therefore, the apportionment factors for CILCO are 100% for sales, property, and payroll. Starting in tax year 2000, Illinois is a 100% sales factor state.

Allocation Method based on Current Federal and State Taxes % of Total - WPC-3a & WPC-3b.

Central Illinois Light Company
Reconciliation of Operating Income
For the Year Ended December 31, 2000

CILCO WPC-3a
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Witness: M. J. Getz
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		<u>El. Transmission</u>	<u>El. Distribution</u>	<u>Genco Generation</u>	<u>CILCO Generation</u>	<u>Supply Management</u>	<u>Account Management</u>	<u>Total Electric</u>	<u>Gas</u>	<u>Total Company</u>
Operating Income	WPC-1h	2,536,129	29,841,402	23,771,029	706,472	16,688	105,693	56,977,413	15,353,956	72,331,369
Adjustments:										
Operating Income Adjustments *	e2	19,238	230,773	181,691	5,566	131	833	438,232	250,384	688,616
Other Adjustments *	(rounding)	(43)	(327)	(254)	(3)	0	(1)	(628)	(331)	(959)
Current Income Taxes	WPC-1h	1,368,471	16,526,334	12,824,298	362,391	42,096	65,560	31,189,150	8,623,880	39,813,030
Deferred Income Taxes	WPC-1h	(251,146)	(3,915,605)	(2,414,650)	(99,286)	97,320	18,241	(6,565,126)	(2,010,137)	(8,575,263)
Investment Tax Credit	WPC-1h	(94,071)	(547,829)	(707,764)	0	0	0	(1,349,664)	(283,200)	(1,632,864)
Income before taxes and interest		3,578,578	42,134,748	33,654,350	975,140	156,235	190,326	80,689,377	21,934,552	102,623,929

Allocated based on Rate Base:

Rate Base as percentage of total elec.	d1	4.39%	52.66%	1.46%	1.27%	0.03%	0.19%	100.00%
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Central Illinois Light Company
Reconciliation of Book Income to Taxable Income
For the Year Ended December 31, 2000

CILCO WPC-3b
Docket No. 01-
Witness: M. J. Getz
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	Ref.	El. Transmission	El. Distribution	Genco Generation El. Production	CILCO Generation	Supply Mangement	Account Management	Total Electric	Gas	Total Company
Income before taxes and interest	* c2	3,578,578	42,134,748	33,654,350	975,141	156,235	190,326	80,689,378	21,934,552	102,623,930
Less: Interest	* c1	891,882	8,299,192	6,534,077	200,152	4,728	29,944	15,759,955	6,312,527	22,072,482
Income before tax		2,886,716	33,835,556	27,120,273	774,989	151,507	160,382	64,929,423	15,622,025	80,551,448
Permanent Book-Tax Differences:										
Public Utility Preferred Dividend Requirement	* c3	(8,008)	(72,039)	(56,717)	(1,738)	(41)	(260)	(136,801)	(67,200)	(204,001)
Meals & Entertainment - 50% disallowed	* c4	4,847	58,137	45,772	1,403	33	210	110,402	58,436	166,838
Taxable Salvage	* c5	9,482	113,746	89,554	2,743	65	410	216,000	111,012	327,012
Total Permanent Book-Tax Differences		8,323	99,844	78,809	2,408	57	360	189,601	100,248	289,849
Temporary Book-Tax Differences:										
Repair allowances	* c8	(256,329)	(3,074,777)	(2,420,817)	(74,155)	(1,752)	(11,094)	(5,838,924)		(5,838,924)
Depreciation	* c7	1,118,550	13,417,500	10,563,798	323,589	7,644	48,411	25,479,492	5,319,864	30,799,356
Pensions	P c8	13,688	209,848	214,412	0	13,688	4,562	456,194	234,996	691,190
Early retirement	TD	207,983	2,493,098	0	0	0	0	2,701,081	1,391,466	4,092,547
ABM system	* c9	0	0	0	0	0	0	0	0	0
Freeman Coal Contract	* c10	0	0	0	0	0	0	0	0	0
Write-off of Unamortized Debt Discount	* c11	0	0	0	0	0	0	0	0	0
VEBA	P c12	0	0	0	0	0	0	0	0	0
Cost of Removal	* c13	(133,293)	(1,598,903)	(1,258,841)	(38,580)	(911)	(5,769)	(3,038,277)	(298,176)	(3,334,453)
AFUDC Debt	* c14	(5,364)	(64,342)	(50,657)	(1,552)	(37)	(232)	(122,184)		(122,184)
Contributions in Aid of Construction	* c15	44,074	528,890	416,244	12,750	301	1,908	1,003,967	938,184	1,942,151
ERTA	* c16	(82,925)	(994,724)	(783,161)	(23,990)	(567)	(3,589)	(1,888,956)	(326,604)	(2,215,560)
Coal Tar								0	11,148	11,148
Capitalized Interest	* c17	4,342	52,083	41,008	1,255	30	188	98,904		98,904
Bad Debts	TD c18	(2,180)	(25,896)	0	0	0	0	(28,056)	(14,280)	(42,336)
Post Retirement Benefits	P c19	54,992	843,213	861,545	0	54,992	18,331	1,833,073	944,496	2,777,569
Executive Deferred Compensation Plan	P c20	(3,690)	(56,574)	(57,804)	0	(3,690)	(1,230)	(122,988)	(63,000)	(185,988)
Customer Advances	* c21	11,553	138,580	109,106	3,342	79	500	263,160	(322,980)	(59,820)
EDCP Earnings	P c20A	28,737	440,634	450,212	0	28,737	9,579	957,899	471,900	1,429,799
Call Premiums	* c22	13,264	159,111	125,271	3,837	91	574	302,148	155,400	457,548
Executive Salary Protection Plan	P c23	(9,377)	(143,779)	(146,906)	0	(9,377)	(3,126)	(312,565)	(161,004)	(473,569)
Gas Storage Field	* c24							0	(41,496)	(41,496)
Take-or-Pay charges	* c25							0	0	0
Software Amortization	# c26	(123,631)	(1,482,916)	0	(36,265)	(659)	(4,945)	(1,648,416)	(1,590,732)	(3,239,148)
Total Temporary Book-Tax Differences		880,412	10,840,846	8,063,408	170,251	88,567	54,068	20,097,552	6,649,182	26,746,734
Taxable Income		3,775,451	44,776,246	35,262,290	947,648	240,131	214,810	85,216,576	22,371,455	107,588,031
Combined tax rate		39.667%	39.667%	39.667%	39.667%	39.667%	39.667%	39.667%	39.667%	39.667%
Federal and State taxes		1,497,619	17,761,394	13,987,493	375,904	95,253	85,209	33,802,872	8,874,100	42,676,972
Adjustments to Current taxes:										
1999 Provision to return adjustment	* c29+c30	(42,512)	(509,951)	(401,492)	12,297	(291)	(1,840)	(968,383)	1,851,767	883,384
Other adjustments	* c32	(22,241)	47,332	(153,548)	17,413	(52,426)	(15,022)	(178,492)	(5,860)	(184,352)
Tax effect of operating income adjustment	* e1	(7,632)	(91,547)	(72,077)	(2,208)	(52)	(330)	(173,846)	(99,327)	(273,173)
2000 Provision posted to oper. instead of nonoper.		0	0	0	0	0	0	0	(115,000)	(115,000)
1 year timing differences-deferred for FERC	* g1	(56,763)	(680,894)	(536,078)	(16,421)	(388)	(2,457)	(1,293,001)	(1,881,800)	(3,174,801)
Current Federal and State taxes		1,368,471	16,526,334	12,824,298	362,391	42,096	65,560	31,189,150	8,623,680	39,813,030
Percentage of Total		4.39%	52.99%	41.12%	1.16%	0.13%	0.21%	100.00%		
Note: Allocations between Electric Transmission, Distribution and Production are based on the following:										
* - Rate base as a percentage of total electric	d1	4.39%	52.68%	41.46%	1.27%	0.03%	0.19%	100.00%		
TD - Transmission and Distribution only		7.70%	92.30%					100.00%		
# - Rate base without generation		7.50%	89.96%	0.00%	2.20%	0.04%	0.30%	100.00%		
P - Allocated based on Payroll Allocation		3.00%	46.00%	47.00%	0.00%	3.00%	1.00%	100.00%		

CENTRAL ILLINOIS LIGHT COMPANY

**STATEMENT OF PROCEDURE TO ALLOCATE INCOME TO DELIVERY SERVICES
FOR THE YEAR ENDED DECEMBER 31, 2000**

**CILCO Schedule C-3.1
Docket No. 01-
Witness: M. J. Getz
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Central Illinois Light Company (CILCO) files with the Internal Revenue Service as a member of AES's consolidated tax return. AES and the consolidated CILCORP group of companies, which includes CILCO, have a tax sharing agreement in place whereby each company is allocated its share of taxable income.

CILCO's taxable income is not broken down further on the tax return; therefore, an allocation procedure was used to allocate the income tax liability to jurisdictional delivery services for purposes of this filing. Income taxes were allocated to delivery services based on the ratio of delivery services rate base to total rate base.

CENTRAL ILLINOIS LIGHT COMPANY

PROVISION FOR DEFERRED INCOME TAXES
FOR THE YEAR ENDED DECEMBER 31, 2000

CILCO Schedule C-3.2

Docket No. 01-

Witness: M. J. Getz

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DESCRIPTION	ICC		ELECTRIC TRANSMISSION	ELECTRIC DISTRIBUTION	GENCO GENERATION	CILCO GENERATION	SUPPLY MANAGEMENT	ACCOUNT MANAGEMENT	TOTAL ELECTRIC	GAS	TOTAL COMPANY
	ACCOUNT NUMBER	ACCOUNT NUMBER									
1. EL OP DEF FIT TD	410.1	417020	24,020	374,032	230,666	9,470	(9,282)	(1,756)	627,150		627,150
2. EL PR DEF FIT TD	410.1	417021	16,536	257,496	158,798	6,519	(6,390)	(1,209)	431,750		431,750
3. EL OP DEF TAX	410.1	417022	68,615	1,068,456	658,918	27,052	(26,514)	(5,016)	1,791,511		1,791,511
4. EL PR DEF FIT	410.1	417023	61,885	963,659	594,288	24,398	(23,914)	(4,524)	1,615,792		1,615,792
5. EL OP DEF SIT TD	410.1	417220	5,308	82,661	50,977	2,093	(2,051)	(388)	138,600		138,600
6. EL PR DEF SIT TD	410.1	417221	4,154	64,680	39,888	1,638	(1,605)	(304)	108,451		108,451
7. EL OP DEF SIT	410.1	417222	(1,620)	(25,220)	(15,554)	(639)	626	118	(42,289)		(42,289)
8. EL PR DEF SIT	410.1	417223	(3,652)	(56,861)	(35,066)	(1,440)	1,411	267	(95,341)		(95,341)
9. EL OP FIT DEF PR-CR	411.1	417040	(243,719)	(3,799,955)	(2,343,328)	(96,358)	94,451	17,699	(6,371,210)		(6,371,210)
10. EL PR FIT DEF PR-CR	411.1	417041	(173,241)	(2,697,680)	(1,663,660)	(68,301)	66,944	12,665	(4,523,273)		(4,523,273)
11. EL OP SIT DEF PR-CR	411.1	417240	(12,508)	(194,774)	(120,118)	(4,931)	4,833	914	(326,584)		(326,584)
12. EL PR SIT DEF PR-CR	411.1	417241	3,076	47,901	29,541	1,213	(1,189)	(225)	80,317		80,317
13. TOTAL			<u>(251,146)</u>	<u>(3,915,605)</u>	<u>(2,414,650)</u>	<u>(99,286)</u>	<u>97,320</u>	<u>18,241</u>	<u>(6,565,126)</u>		
13. GS FED INCOME TAXES TD N	410.1	427020	0	0	0	0	0	0	0	1,541,200	1,541,200
14. GS PROV DEF FED INC TAXN	410.1	427022	0	0	0	0	0	0	0	725,251	725,251
15. GS STATE INC TAXES TD N	410.1	427220	0	0	0	0	0	0	0	340,600	340,600
16. GS PROV DEF ST INC TAXEN	410.1	427221	0	0	0	0	0	0	0	217,612	217,612
17. GS FIT DEF PR YRS - CREDIN	411.1	427040	0	0	0	0	0	0	0	(4,045,416)	(4,045,416)
18. GS SIT DEF PR YRS - CREDIN	411.1	427240	0	0	0	0	0	0	0	(789,384)	(789,384)
TOTAL				<u>(3,915,605)</u>	<u>(2,414,650)</u>	<u>(99,286)</u>	<u>97,320</u>	<u>18,241</u>	<u>(6,565,126)</u>	<u>(2,010,137)</u>	<u>(8,575,263)</u>
Split based on totals from WPC-3.2			3.83%	59.64%	36.78%	51%	48%	0.28%	00.00%		

Central Illinois Light Company
Detail of Deferred Tax Expense
For the Year Ended December 31, 2000

CILCO WPC-3.2
Docket No. 01-
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Description of Deferred Tax Item		El. Transmission	El. Distribution	Genco Generation	CILCO Generation	Supply Management	Account Management	Total Electric
Accelerated Amortization	*	(1,637)	(19,642)	(15,465)	(474)	(11)	(71)	(37,300)
Asbestos Removal	*	5,945	71,315	56,148	1,720	41	257	135,426
AFUDC - Debt	*	(1,005)	(12,059)	(9,494)	(291)	(7)	(44)	(22,900)
Bad Debts	TD	(7,163)	(85,861)	0	0	0	0	(93,024)
Capitalized Interest	*	(5,390)	(64,654)	(50,903)	(1,559)	(37)	(233)	(122,776)
CIS Software Amortization	D	0	(1,235,857)	0	0	0	0	(1,235,857)
Contributions in Aid of Construction	*	(14,042)	(168,434)	(132,610)	(4,061)	(96)	(608)	(319,851)
Cost of Removal	*	(113,665)	(1,363,481)	(1,073,489)	(32,883)	(777)	(4,920)	(2,589,215)
Customer Advances	*	(2,929)	(35,138)	(27,665)	(848)	(20)	(127)	(66,727)
Debt Discounts, Premiums & Exp.	*	13,906	166,812	131,334	4,023	95	602	316,772
Depreciation - DB (Method)	*	112,612	1,350,835	1,063,533	32,578	770	4,874	2,565,202
Depreciation - GL (Life)	*	(333,453)	(3,999,932)	(3,149,206)	(96,467)	(2,279)	(14,432)	(7,595,769)
Disputed Charges	*	37,535	450,254	354,492	10,858	257	1,625	855,021
EDCP Contributions	P	25,485	390,782	399,277	0	25,486	8,495	849,525
Executive Salary Protection Plan	P	3,430	52,606	53,750	0	3,431	1,144	114,361
Freeman Coal Contract	G	0	0	1,294,836	0	0	0	1,294,836
Injuries & Damages	*	27,373	328,335	258,503	7,917	187	1,185	623,500
Off FAS 71	G	0	0	(1,667,949)	0	0	0	(1,667,949)
OPEB Basis Differences	P	5,359	82,181	83,967	0	5,360	1,787	178,654
PCF Amortization	*	506	6,056	4,768	145	3	22	11,500
Pension Expense	P	2,657	40,750	41,636	0	2,658	886	88,587
Pension Shortfall	P	(14,258)	(218,635)	(223,388)	0	(14,259)	(4,753)	(475,293)
Fuel Adjustment Clause	*	29,391	352,559	277,575	8,502	201	1,272	669,500
Post '80 Salvage (ERTA)	*	42,357	508,094	400,030	12,254	289	1,833	964,857
Post-retirement benefits	P	77,049	1,181,419	1,207,102	0	77,049	25,683	2,568,302
Pre-91 Basis Differences - Flowback	*	(26,705)	(320,346)	(252,213)	(7,726)	(182)	(1,156)	(608,328)
Repair Allowance	*	(152,391)	(1,828,009)	(1,439,219)	(44,087)	(1,041)	(6,596)	(3,471,343)
Software Amortization	#	41,845	501,914	0	12,274	223	1,674	557,930
Software Expensed	#	(3,958)	(47,469)	0	(1,161)	(21)	(158)	(52,767)
Total		<u>(251,146)</u>	<u>(3,915,605)</u>	<u>(2,414,650)</u>	<u>(99,286)</u>	<u>97,320</u>	<u>18,241</u>	<u>(6,565,126)</u>

* - Allocations based on rate base
as percentage of total electric

G - Allocated 100% to Generation

D - Allocated 100% to Distribution

TD - Allocated to Transm. & Distr. only

- Allocated based on rate base without
generation

P - Allocated based on Payroll Alloc.

4.39%	52.66%	41.46%	27%	0.03%	0.19%	100.00%
	100%	100%				
7.7%	92.3%					100.00%
7.5%	89.96%	0.0%	2.2%			100.00%
3.0%	46.0%	47.0%	0.0%			100.00%

CENTRAL ILLINOIS LIGHT COMPANY
DIFFERENCES BETWEEN BOOK AND TAX DEPRECIATION
FOR THE YEAR ENDED DECEMBER 31, 2000

CILCO Schedule C-3.3
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Description	ELECTRIC TRANSMISSION	ELECTRIC DISTRIBUTION	GENCO GENERATION	CILCO GENERATION	SUPPLY MANAGEMENT	ACCOUNT MANAGEMENT	TOTAL ELECTRIC
1. Current year book depreciation	2,063,910	24,757,521	19,491,964	597,078	14,104	89,326	47,013,902
2. Less: Current year depreciation on pre-2000 basis differences	<u>1,118,550</u>	<u>13,417,503</u>	<u>10,563,799</u>	<u>323,590</u>	<u>7,644</u>	<u>48,411</u>	<u>25,479,496</u>
Current year tax depreciation	945,360	11,340,018	8,928,165	273,488	6,460	40,915	21,534,406
4. Property-related basis differences generated in Current Year	(436,022)	(5,230,273)	(4,117,872)	(126,138)	(2,980)	(18,871)	(9,932,156)
5. Plus: depreciation difference - above	<u>1,118,550</u>	<u>13,417,503</u>	<u>10,563,799</u>	<u>323,590</u>	<u>7,644</u>	<u>48,411</u>	<u>25,479,496</u>
6. Total Property-related book to tax differences	682,528	8,187,230	6,445,927	197,452	4,664	29,540	15,547,340
7. Deferred tax rate	<u>-50.5%</u>	<u>-50.5%</u>	<u>-50.5%</u>	<u>-50.5%</u>	<u>-50.5%</u>	<u>-50.5%</u>	<u>-50.5%</u>
8. Deferred taxes on Depreciation and basis differences *	(344,691)	(4,134,718)	(3,255,325)	(99,717)	(2,356)	(14,918)	(7,851,725)
9. 1999 Adjust to Actuals	<u>(264,136)</u>	<u>(3,168,412)</u>	<u>(2,494,538)</u>	<u>(76,412)</u>	<u>(1,805)</u>	<u>(11,432)</u>	<u>(6,016,734)</u>
10. Total Deferred taxes on Depreciation and basis differences	<u>(608,827)</u>	<u>(7,303,130)</u>	<u>(5,749,863)</u>	<u>(176,129)</u>	<u>(4,161)</u>	<u>(26,350)</u>	<u>(13,868,459)</u>

* These deferred taxes are based on depreciation and basis differences. These amounts are based on detail that is maintained by vintage, tax class and deferred tax type. The resulting deferred tax rate is a weighted average based on this detail and also includes prior flow-through amounts. Therefore, the deferred tax rate varies significantly from the combined federal and state statutory rates of 39.67%.

Note: All allocations between Electric Transmission, Distribution and Production are based on Rate base:

Rate Base as percentage of total electric	4.39%	52.66%	41.46%	.27%	0.03%	0.19%	100.00%
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CENTRAL ILLINOIS LIGHT COMPANY
INTEREST SYNCHRONIZATION
FOR THE YEAR ENDED DECEMBER 31, 2000

CILCO Schedule C-3.4
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	<u>Description</u>	<u>2000</u>
1	Total Company:	
2.	Rate Base at year end *	726,826,000
3.	Weighted Average cost of Debt	<u>3.293%</u>
4.	Maximum Interest Synch-annual	23,934,380
5.	Actual Interest Expense (See Sch. 3.4b)	22,072,485
6.	Allocated above the line	22,072,485
7.	Allocated below the line	0
8.	Allocation of above the line interest to electric:	
9.	Total Rate Base at year end (above) *	726,826,000
10.	Electric Rate Base at year end *	<u>519,450,000</u>
11.	Electric Percentage	71.4%
12.	Above the line interest - Electric	15,759,754
13.	Distribution Percentage	52.66%
14.	Above the line interest - Distribution	<u><u>8,299,086</u></u>

* - Note: Rate base amounts are from the Rate of Return filing for CILCO.